COOK, YANCEY, KING & GALLOWAY

A Professional Law Corporation
333 Texas Street, Suite 1700
Post Office Box 22260
Shreveport, Louisiana 71120-2260
www.cykg.com

J. William Fleming

Writer's Direct (318) 227-7724 fleming@cykg.com August 29, 2005

TELEPHONE (318) 221-6277 TELECOPIER (318) 227-7850

When calling relative to this matter, refer to file No. 1266.

Honorable James H. Welsh Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, Louisiana 70804-9275

RE: Hosston Zone, Reservoir A
Cotton Valley Formation, Reservoir A
Lower Cotton Valley Zone, Reservoir A
Elm Grove Field
Bossier Parish, Louisiana

APPLICATION FOR PUBLIC HEARING

Dear Sir:

KCS Resources, Inc. hereby makes application pursuant to the revised rules of procedure for a public hearing to consider evidence relating to the following matters pertaining to the Hosston Zone, Reservoir A, the Cotton Valley Formation, Reservoir A, and the Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana:

- 1. To authorize KCS Resources, Inc. to drill, complete and utilize a unit well and an alternate unit well on HOSS RA SU112 at the exceptional locations shown on the attached plat;
- 2. To authorize KCS Resources, Inc. to drill, complete and utilize and two alternate unit wells on CV RA SU108 at the exceptional locations shown on the attached plat;

COOK, YANCEY, KING & GALLOWAY

Office of Conservation August 29, 2005 Page 2

- 3. To authorize KCS Resources, Inc. to drill, complete and utilize a unit well and an alternate unit well on LCV RA SUHH at the exceptional locations shown on the attached plat;
- 4. To find that each of the proposed wells is necessary to efficiently and effectively drain a portion of the Hosston Zone, Reservoir A, the Cotton Valley Formation, Reservoir A, and the Lower Cotton Valley Zone, Reservoir A, underlying the respective units which cannot be efficiently and effectively drained by any other well;
- 5. To authorize the unit allowable for these Hosston Zone, Reservoir A, Cotton Valley Formation, Reservoir A, and Lower Cotton Valley Zone, Reservoir A, units to be recovered from the any of the wells located on the units, at the discretion of the operator; and
- 6. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

The Hosston Zone, Reservoir A, in the Elm Grove Field, Caddo, Bossier, Webster and Bienville Parishes, Louisiana, was defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972, and was further defined in subsequent orders of the Orders of the 361-A Series of Orders.

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo, Bossier, Webster and Bienville Parishes, Louisiana, was defined in Office of Conservation Order No. 361-B, effective October 1, 1973, and was further defined in subsequent Orders of the 361-B Series of Orders.

The Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Caddo, Bossier, Webster and Bienville Parishes, Louisiana, was fully defined in Office of Conservation Order No. 361-E, effective on and after July 16, 1996.

The subject matter of this application does not require the issuance of a Pre-Application Notice.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Mr. Kelly Byram, 400 Travis Street, Suite 1309, Shreveport, Louisiana 71101, at telephone number (318) 425-4789.

The attached list includes the names of all Interested Owners, Represented Parties and Interested Parties known to Applicant after a diligent search and a copy of this application, with plats attached, is being sent to each such party. Pursuant to Office of Conservation regulations, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager

COOK, YANCEY, KING & GALLOWAY

Office of Conservation August 29, 2005 Page 3

of the Shreveport District of the Office of Conservation; however, the list of parties will be provided to any person requesting a copy of it. Also enclosed are the application fees.

Yours very truly,

COOK, YANCEY, KING & GALLOWAY

William Fleming

jwf:s

Enclosures

cc: James C. Broussard, District Manager

Interested Owners, Represented Parties and Interested Parties

Mr. Kelly Byram Mr. Ron Tuminello





